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# HOUSE BILL No. 1556

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-0.5; IC 6-8-12.

**Synopsis:** Termination of property taxes. Provides that ad valorem property taxes may not be imposed after 2008. Prohibits a political subdivision from issuing obligations of the corporation payable from ad valorem property taxes after the effective date of this act. Allows the general assembly to provide by law for revenue from any source to pay after 2009 obligations of a political subdivision to which the political subdivision pledged ad valorem property tax revenue.

**Effective:** Upon passage.

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**Burton, Stutzman**

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January 23, 2007, read first time and referred to Committee on Rules and Legislative Procedures.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1556

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 6-1.1-0.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]:  
4 **Chapter 0.5. Application of Article**  
5 **Sec. 1. Subject to IC 6-8-12-2, this article does not apply after**  
6 **2008.**  
7 SECTION 2. IC 6-8-12 IS ADDED TO THE INDIANA CODE AS  
8 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON  
9 PASSAGE]:  
10 **Chapter 12. State and Local Taxation of Property**  
11 **Sec. 1. Tangible property (as defined in IC 6-1.1-1-19) is not**  
12 **subject to ad valorem property taxation after 2008.**  
13 **Sec. 2. Section 1 of this chapter does not prohibit the collection**  
14 **after 2008 of ad valorem property taxes:**  
15 **(1) imposed for an assessment date (as defined in IC 6-1.1-1-2)**  
16 **before 2009; and**  
17 **(2) first due and payable before 2010.**

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1       SECTION 3. [EFFECTIVE UPON PASSAGE] A political  
2       subdivision (as defined in IC 36-1-2-13) may not take final action  
3       after the effective date of this SECTION to approve the issuance of  
4       obligations of the political subdivision payable from ad valorem  
5       property taxes.

6       SECTION 4. [EFFECTIVE UPON PASSAGE] To avoid  
7       constitutionally prohibited impairment of the obligation of  
8       contracts, the general assembly may provide by law for revenue  
9       from any source to pay after 2009 obligations of a political  
10      subdivision (as defined in IC 36-1-2-13) to which the political  
11      subdivision pledged ad valorem property tax revenue.

12      SECTION 5. [EFFECTIVE UPON PASSAGE] (a) The legislative  
13      services agency shall prepare legislation for introduction in the  
14      2008 regular session of the general assembly to make appropriate  
15      corrections and changes in statutes affected by this act.

16      (b) This SECTION expires July 1, 2008.

17      SECTION 6. An emergency is declared for this act.

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